

Reliance Communications

Investor Presentation

May, 2013

RELIANCE

Forward looking statements – Important Note

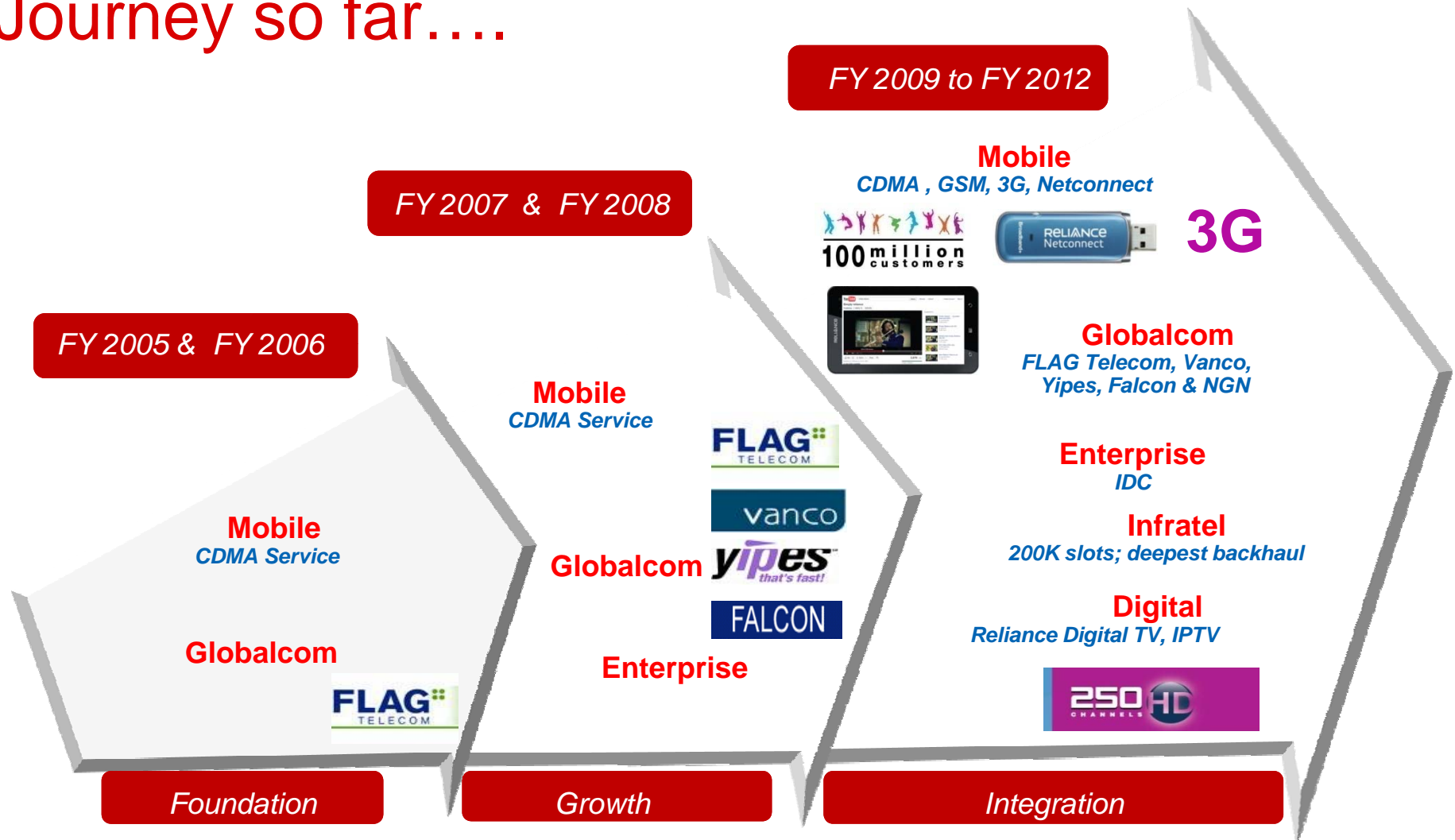
This presentation and the discussion that follows may contain “forward looking statements” by Reliance Communications Ltd (“RCOM”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operation, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the directors and management of RCOM about the business, industry and markets in which RCOM operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond RCOM’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of RCOM. In particular, such statements should not be regarded as a projection of future performance of RCOM. It should be noted that the actual performance or achievements of RCOM may vary significantly from such statements.

Contents

Reliance Communications – an integrated telco

- Wireless
 - Global Enterprise
 - Home
-
- Key takeaways

Journey so far....



Evolution path towards a profitable integrated Telco

Current position of our businesses

Wireless

- ❑ Pan India Voice and Data network
- ❑ 3G license in 13 circles (highest number of circles by single operator)
- ❑ Data leadership – Widest footprint of wireless high speed data

Global Enterprise

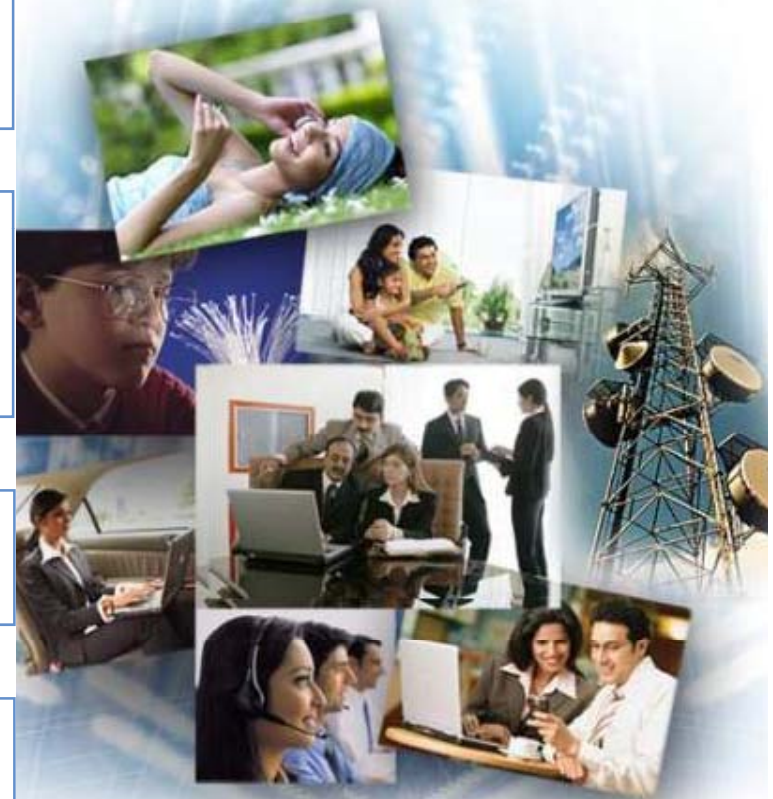
- ❑ Largest global private submarine cable network, blue-chip global clients
- ❑ One stop shop for all large corporates and SMBs for communications, networking and IT infrastructure needs
- ❑ Amongst Top 10 Data Centers in the world and # 1 in India

Infratel

- ❑ 200k+ slots, unique ability to provide space and connectivity

Home

- ❑ Rapidly growing national DTH business, rich content access
- ❑ Industry's 1st offering of its kind – All 250 channels in High Definition like quality



Strong market presence in every business

Strategy for focused and profitable growth

Wireless



- ❑ Address mass mobility market thru' GSM with special focus on rural distribution
- ❑ Consolidate data market leadership with high ARPU 3G services & high speed datacards
- ❑ Increased revenue from new service streams (share of VAS & In-roaming revenue)

Global Enterprise



- ❑ Sign long term contracts with existing and new operators to provide pan-India infrastructure and bandwidth
- ❑ Continue to maintain leadership in the Carriers Carrier market
- ❑ Increasing IDC capacity and launching new high margin product/service lines
- ❑ Expanding Managed Services portfolio for higher share of customer's wallet and to increase stickiness of our products

Infratel



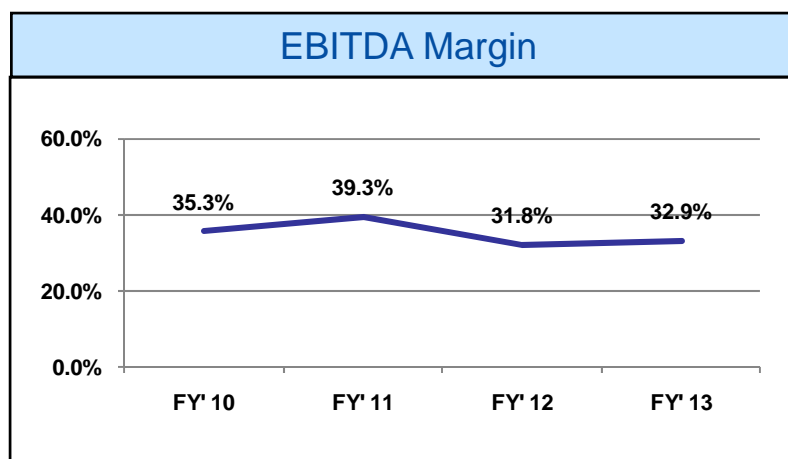
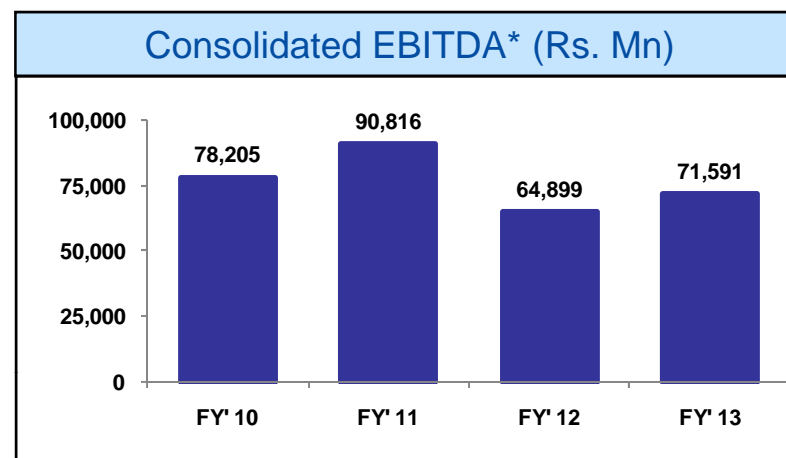
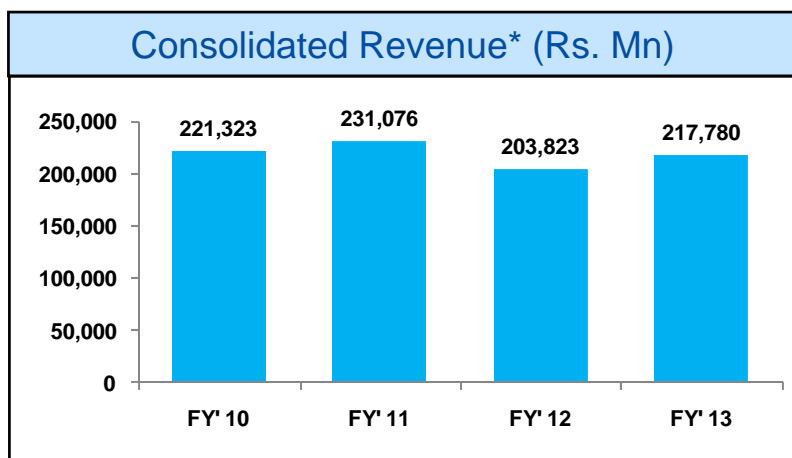
- ❑ Maximize revenues from existing assets of Towers, OFC & Ducts
- ❑ Huge potential of value unlocking for Reliance Communication shareholders

Home



- ❑ Aggressive acquisitions to build the subscriber base for long-term revenue
- ❑ Rigorous program management framework for capex and opex cost efficiencies, esp. Set-top box and Content

Financial Highlights



*FY'11 revenue and EBITDA includes one time IRU License income in Global Enterprise business of Rs. 2,545 Cr. and associated EBITDA of Rs. 2,530 Cr.
FY'13 revenue includes one time Rs. 550 Cr. on account of reversal of provision for business restructuring.

Amongst highest EBITDA margin in the industry in hyper competitive environment

Contents

- ❑ Reliance Communications – an integrated telco

Wireless

- Global Enterprise
- Home

- ❑ Key takeaways

Strengths of Wireless Business

- 1 **Widest Coverage and Product Portfolio**
- 2 **Data Leadership (3G, High Speed Data & 1x)**
- 3 **Youth & Innovation Centric Brand**
- 4 **Focus on Quality of Minutes**

All this with only 6 years in industry, vs. 15+ years for competition

Strengths of Wireless Business



1

Widest Coverage and Product Portfolio

2

Data Leadership (3G, High Speed Data & 1x)

3

Youth & Innovation Centric Brand

4

Focus on Quality of Minutes

All this with only 6 years in industry, vs. 15+ years for competition

Widest Coverage – Pan India presence



24,000 Towns

600,000 Villages

1 Billion Indians



Data

3G

HSD

Voice

VAS

CDMA

GSM



Distribution & Reach

- ❑ 900 exclusive flagship retail showrooms on High streets/Malls with world class design & layout
- ❑ High quality reach & national footprint through 5,000 distributors & over 1 mn retailers
- ❑ Dimensioned to handle over 35 mn sales transactions annually
- ❑ Tie-up with leading bank ATMs to provide Any Time Recharge (ATR)



One of the largest retail distribution network in the industry

Widest Product Portfolio (Enhanced Data Offering)

Mobile Handheld

Dongles / Tabs

Voice



CDMA



GSM

Data



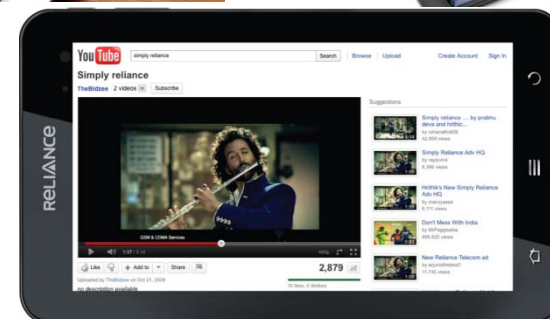
Video



3G HSPA



CDMA HSD



Wide options for Voice, Data & Video across CDMA & GSM platforms

Strengths of Wireless Business

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Widest Coverage and Product Portfolio



2

Data Leadership (3G, High Speed Data & 1x)

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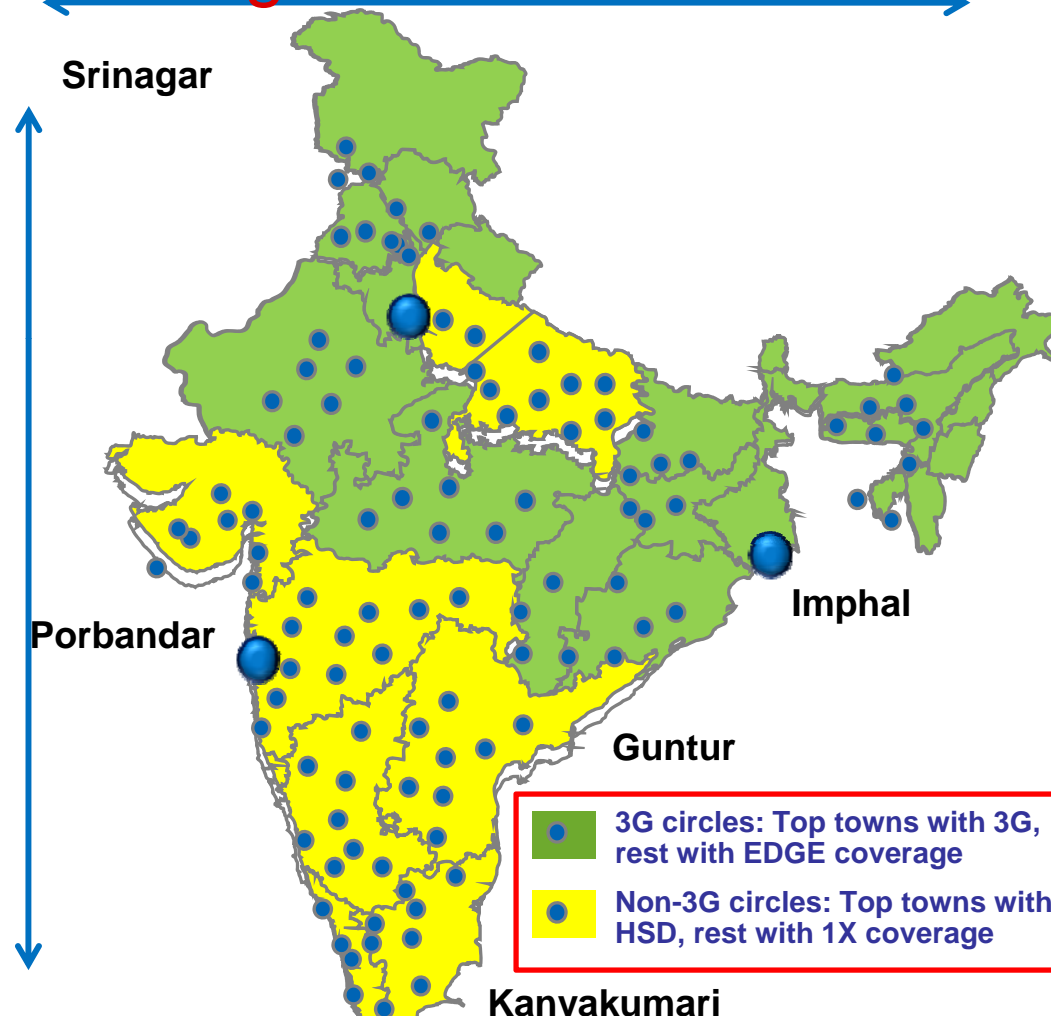
Youth & Innovation Centric Brand

4

Focus on Quality of Minutes

All this with only 6 years in industry, vs. 15+ years for competition

Data Leadership : Leading the 2nd telecom revolution Enabling “Wire Free” India



High speed data internet (3G, HSD)

Number of 3G towns 333

Number of HSD towns ~1,000

Total high speed internet towns ~1,300 towns

Mobile internet (1X , EDGE)

Total towns with Mobile Internet 20,000 + towns

Offering the widest footprint of High Speed Data across the length and breadth of India

Reliance - Google Android Partnership

Reliance + Google
Brands Co-marketing



Android Community:
Special Data Offer



Android Experience
Zone at Reliance Retail
Outlets



Best Experience of
Google Mobile Services



Exclusive Customer
Care



Objective is to create innovative products and marketing & service quality levels to change the Smartphone landscape in India

Driving the entire Data eco-system



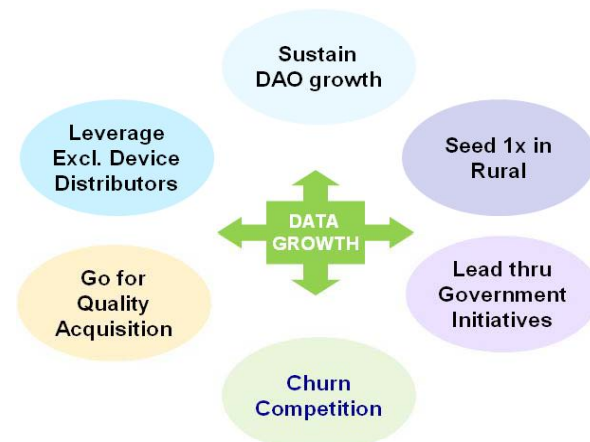
**Worry-free billing
& tariffs with 'My
Best Plan'**



**Enabling device
ecosystem through
proprietary tab & partner
handsets**



**Signed marquee partnership with
Google on Android to drive data
usage on mobile devices**



**Several S&D initiatives to expand
data distribution reach**

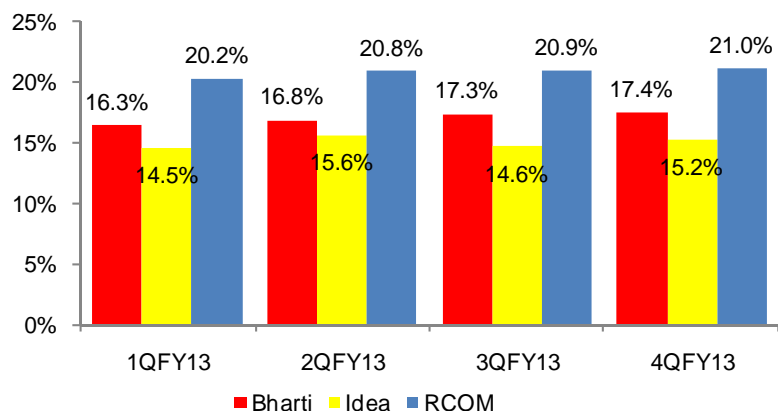
Driving the entire Data eco-system : Device and Apps partnerships



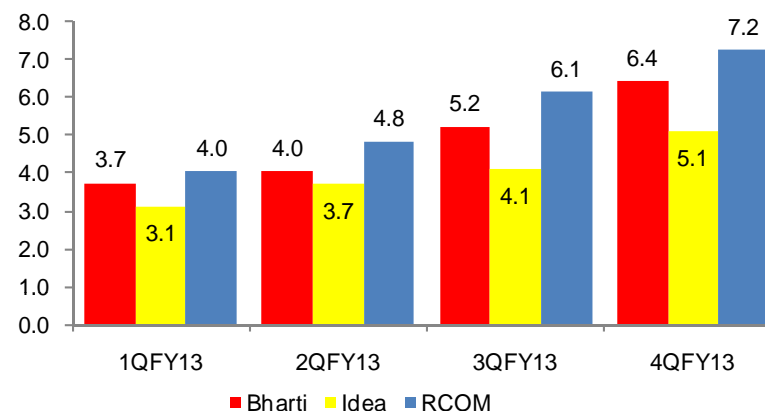
Enter into strategic partnerships to enhance device ecosystem and providing easy access to social networking

Wireless Data KPIs

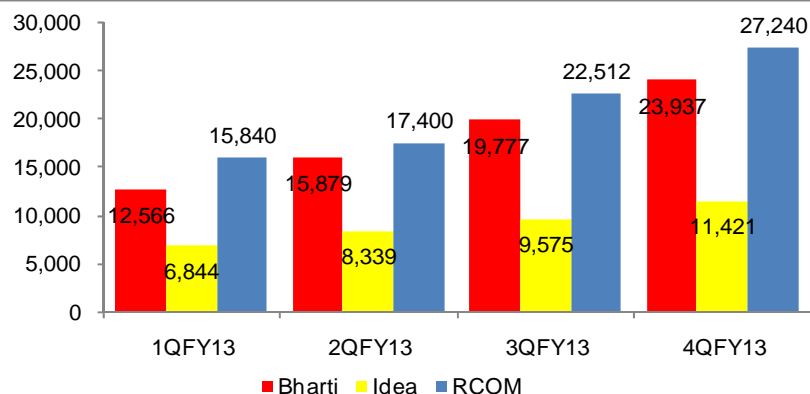
Non-voice as % of Total Revenue



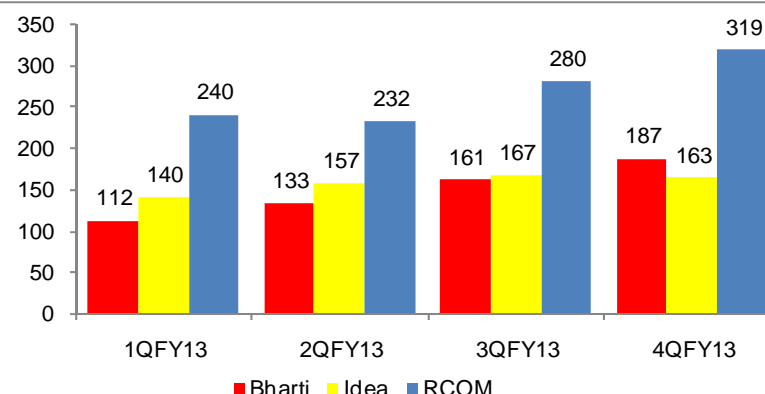
No. of 3G Active Subscriber (Mn.)



Total Data Traffic on Network (Mn. MBs)



Data usage per customer (MB)



RCOM is the leader in the wireless data market

Strengths of Wireless Business

1

Widest Coverage and Product Portfolio

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Data Leadership (3G, High Speed Data & 1x)



3

Youth & Innovation Centric Brand

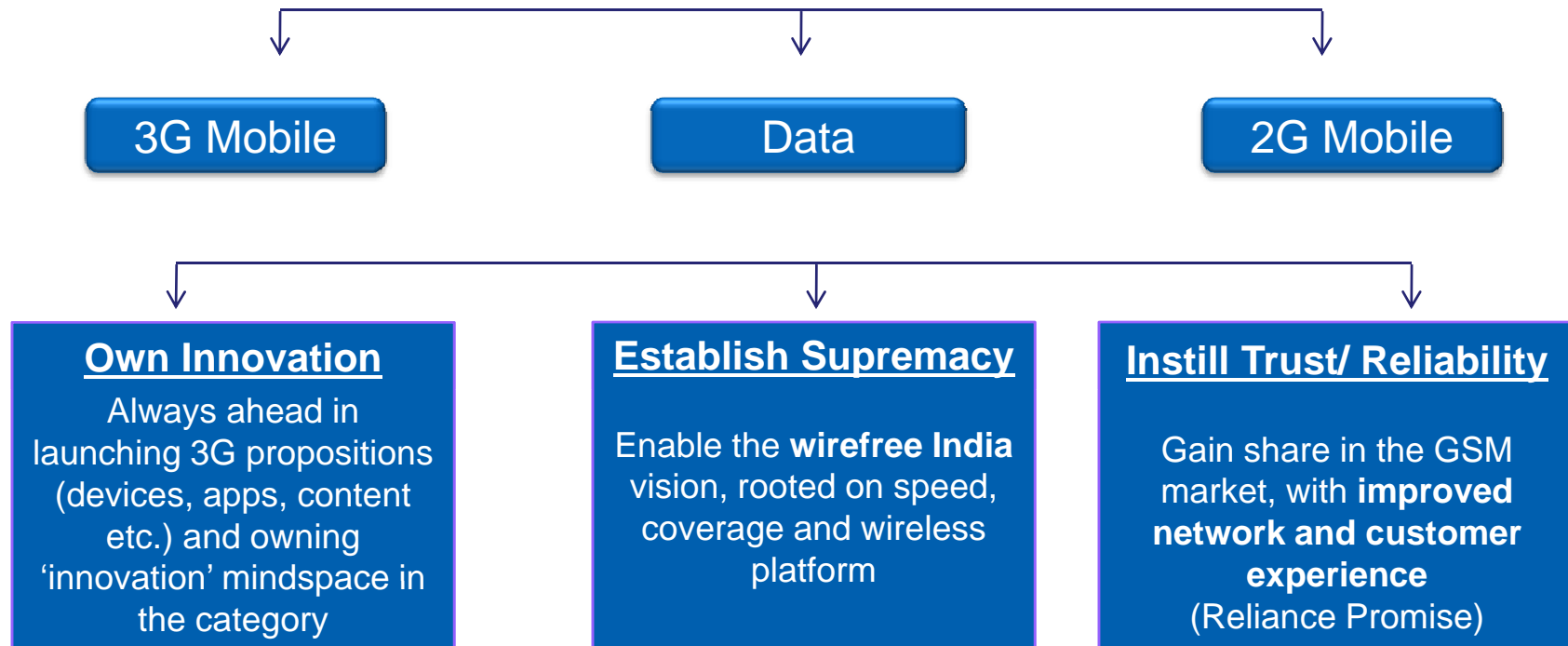
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Focus on Quality of Minutes

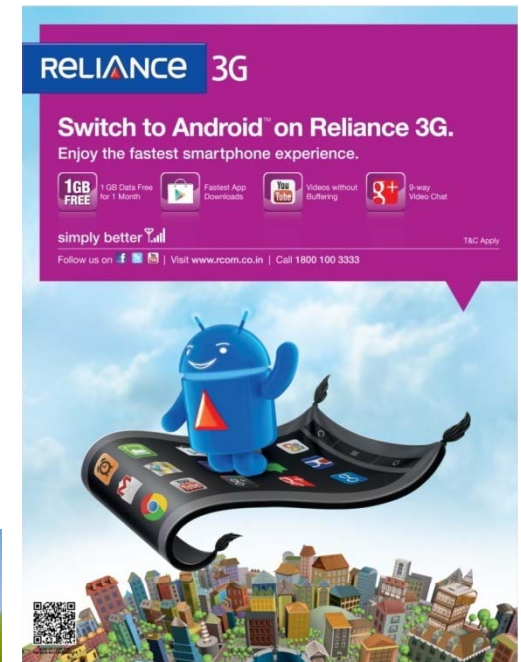
All this with only 6 years in industry, vs. 15+ years for competition

Youth & Innovation-centric Brand

Redefining Brand Positioning



3G | The 'Blue Bot' campaign



3G Mobile - Thrust on Social Networking

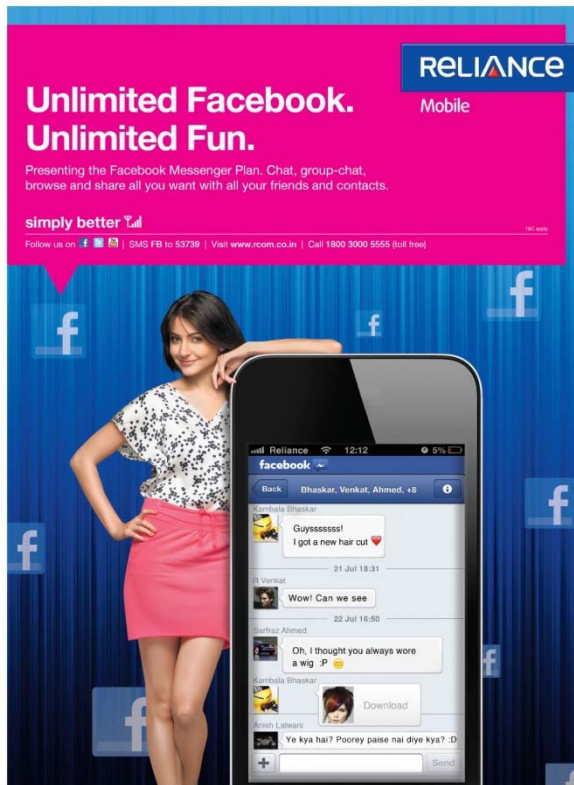
RELIANCE
Mobile

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Unlimited Fun.**

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Reliance Twitter poster

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sharing, tagging, LOLing
and more.**

Enjoy unlimited WhatsApp and Facebook on your phone, at just ₹16 per month. To activate, SMS ACT FB or ACT WA and send it to 53739.

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External use on Facebook will be charged as per the prevailing rates of the customer.



Build traction of data usage through social media sites

Strengths of Wireless Business

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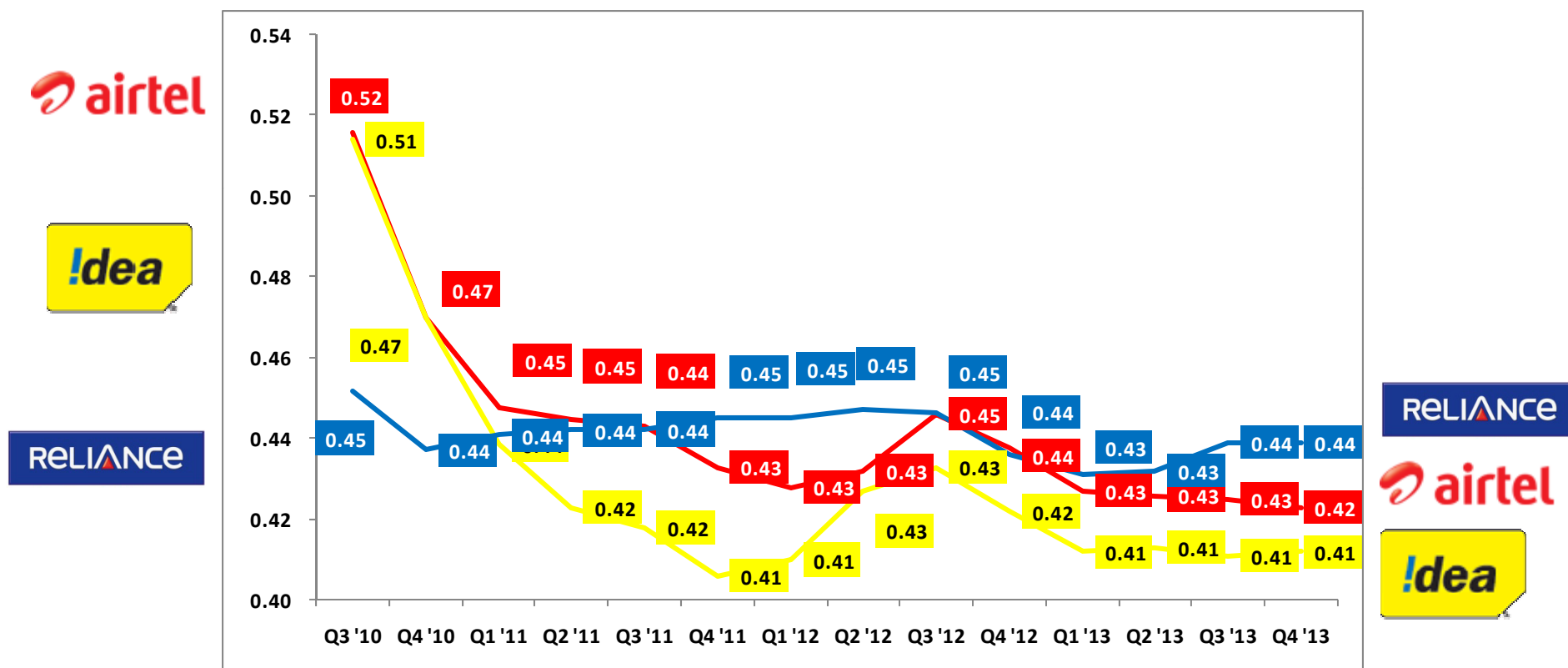
Focus on Quality of Minutes



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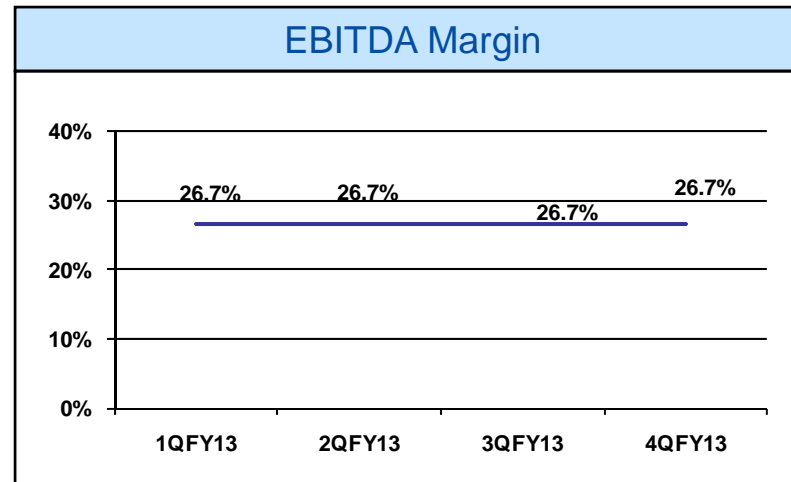
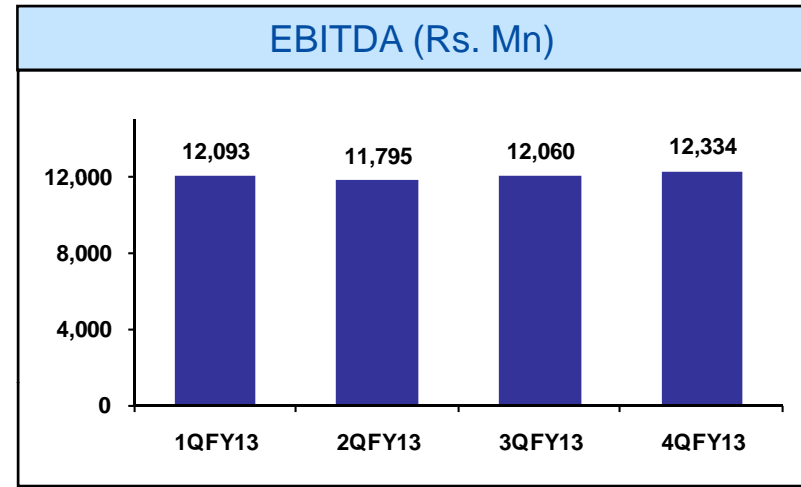
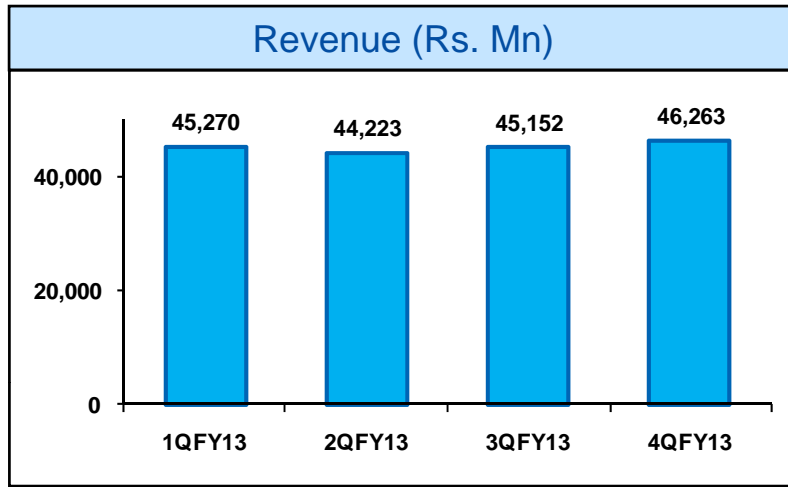
Quality of Minutes

Rate Per Minute (RPM)



RCOM continues to maintain stable & healthy RPM for the last 12 quarters despite intense pricing pressure

Financial Performance



Revenue growth with stable margins in hyper-competitive environment

Contents

- ❑ Reliance Communications – an integrated telco
 - Wireless
 - Global Enterprise
 - Home
- ❑ Key takeaways

Overview



Scalable and proven infrastructure and capabilities are in place.
Target is to scale up the business

Carrier business: Global connectivity & assets

- ❑ Own 277,000 RKms of optic fiber cable with landing points in 30 countries & world's largest private undersea cable system spanning 65,000 Kilometers
- ❑ Manage over 60,000 customer sites in 163 countries through 700 carrier partners
- ❑ This cable system is seamlessly integrated with 1,90,000 kilometer of fiber optic in India connecting 600,000 villages & 24,000 towns to key business markets in India, USA, Europe, Middle East, and APAC regions
- ❑ Over 1000 direct interconnects with 450+ top networks

Global Network



Long Distance Network in India



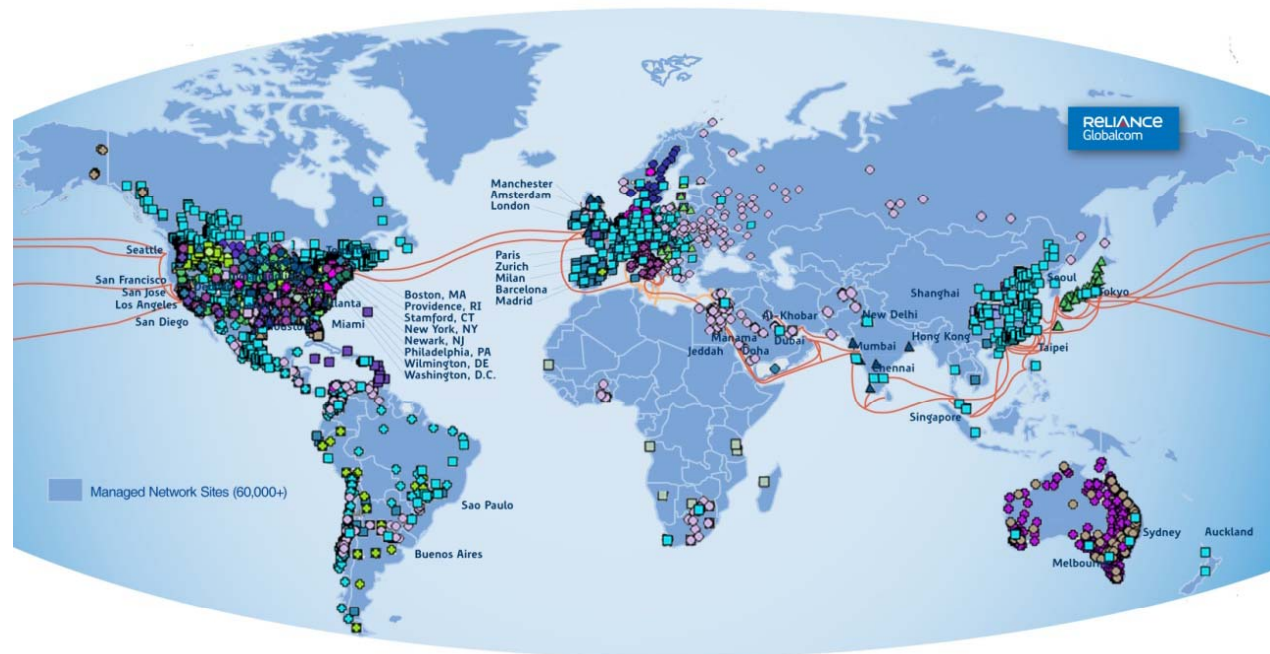
Network connecting over 85% of the world's population

Enterprise business : Enterprise Managed Network

Global Connectivity

- ❑ 60,000+ managed sites with reach in 160 countries and territories
- ❑ Metro Ethernet connectivity across 26 Metros outside India
- ❑ High Capacity Access Network customized to meet Customer Demand

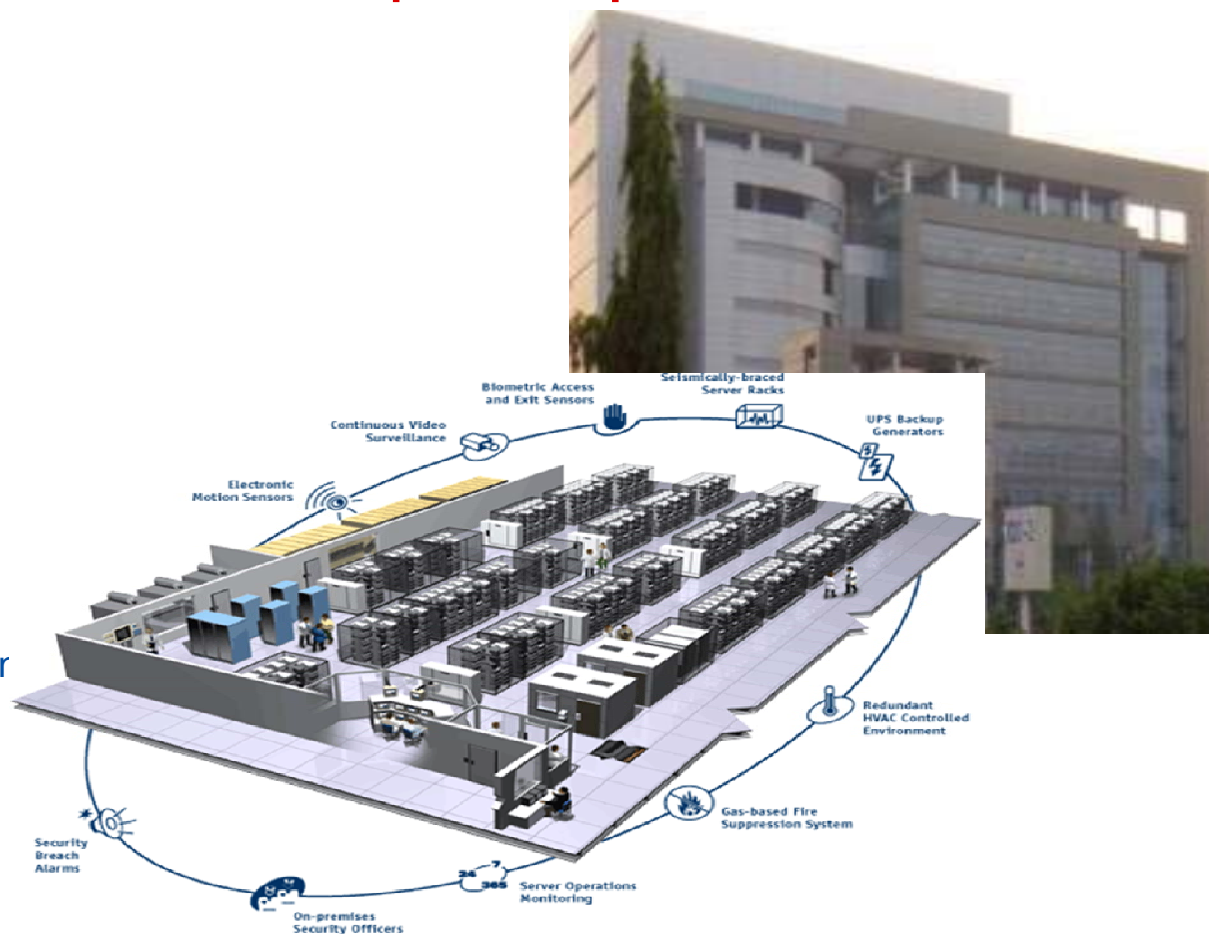
Global Network



Unparalleled global reach and depth of network

Enterprise business : Biggest Data center player in India with more than 550,000 sq ft of space

- ❑ 18 (9 India; 9 Outside India)
Data centers across the globe with more than 550,000 sq ft of facilities space
- ❑ Geographic redundancy
- ❑ Wide & complex application hosted
 - Core Banking, ATM/ Internet Banking
 - Complex ERP/ SAP Application
 - Complex Intranet/ Customized Apps.
 - Large Messaging Applications



Expanding capacity to cater to fast growing demand

Consumer business : Calling services to 160+ countries across the globe

Global Reach

- ❑ Retail services in 14 countries including U.S, Canada, U.K., Australia, New Zealand, Hong Kong, Singapore, France, Canada, Spain, Belgium, Netherlands, Austria and India

Leadership Position

- ❑ Over 2.5 million customers for Reliance Global Call service.
- ❑ Usage of Reliance Global Call accounts for 40% of total retail market calls from the United States to India.

Innovative Product Suite

The image displays two screenshots of Reliance's consumer services websites. The top screenshot is for 'RELIANCE iCall', featuring a login section with fields for 'USERNAME' and 'PASSWORD', and a 'Login' button. Below this, there's a 'Make calls from' section with options for 'PC to PC', 'PC to Phone', and 'Phone to PC'. A central banner advertises 'Call @ 1 cent/min' with a list of countries including India, USA, Canada, China, Singapore, Thailand, and others. The bottom screenshot is for 'RELIANCE Global Call', showing a 'Call over 200 countries' banner and a 'New Call Rates' section with rates for USA (2.49 Rs/min) and Australia (7.99 Rs/min). Both websites have navigation menus and footer information.

Global presence and strong customer base

- Over 2,100 enterprise and 2.5 million retail customer base outside India

Carrier

- Over 200 carrier customers based on strong long term relationships with over 70% repeat orders;
- Particularly strong in Asia, the Middle East and India



Enterprise

- Among Top 5 Managed Network Service providers with over 200 global corporate customers
- Among Top 6 Global Ethernet Service providers with over 1,200 customers in US alone;
- # 1 or # 2 service provider to world's top exchanges including CME, NYSE, NASDAQ.
- Serve 850 of top 1000 enterprises in India

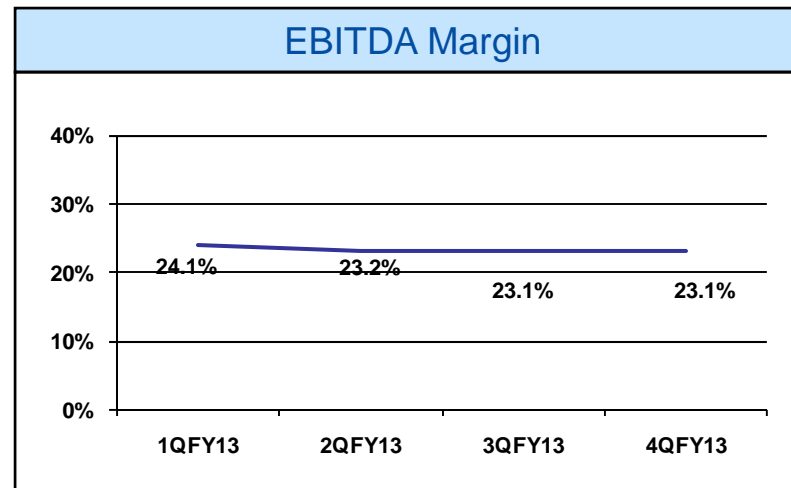
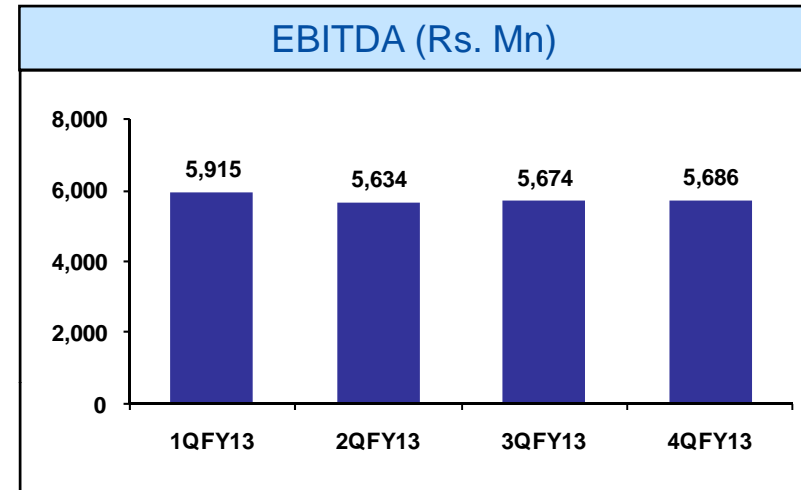
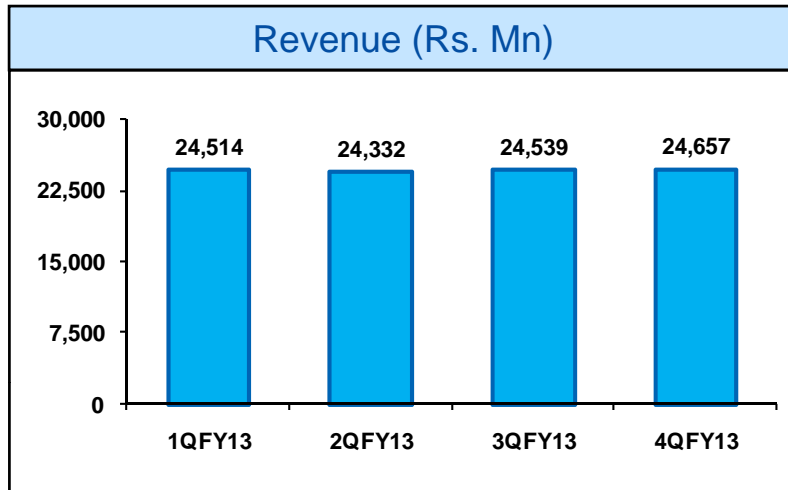


Consumer

- Over 2.5 million retail customers in 14 countries including U.S, Canada, U.K., Australia, New Zealand, Hong Kong, Singapore, France, Canada, Spain, Belgium, Netherlands, Austria and India
- 1.25 million broadband customers in India



Financial Performance



From 1Q FY'12 onwards, RCOM is reporting combined Global and Enterprise business units as a single operating business unit.

Synergies to improve operational efficiencies

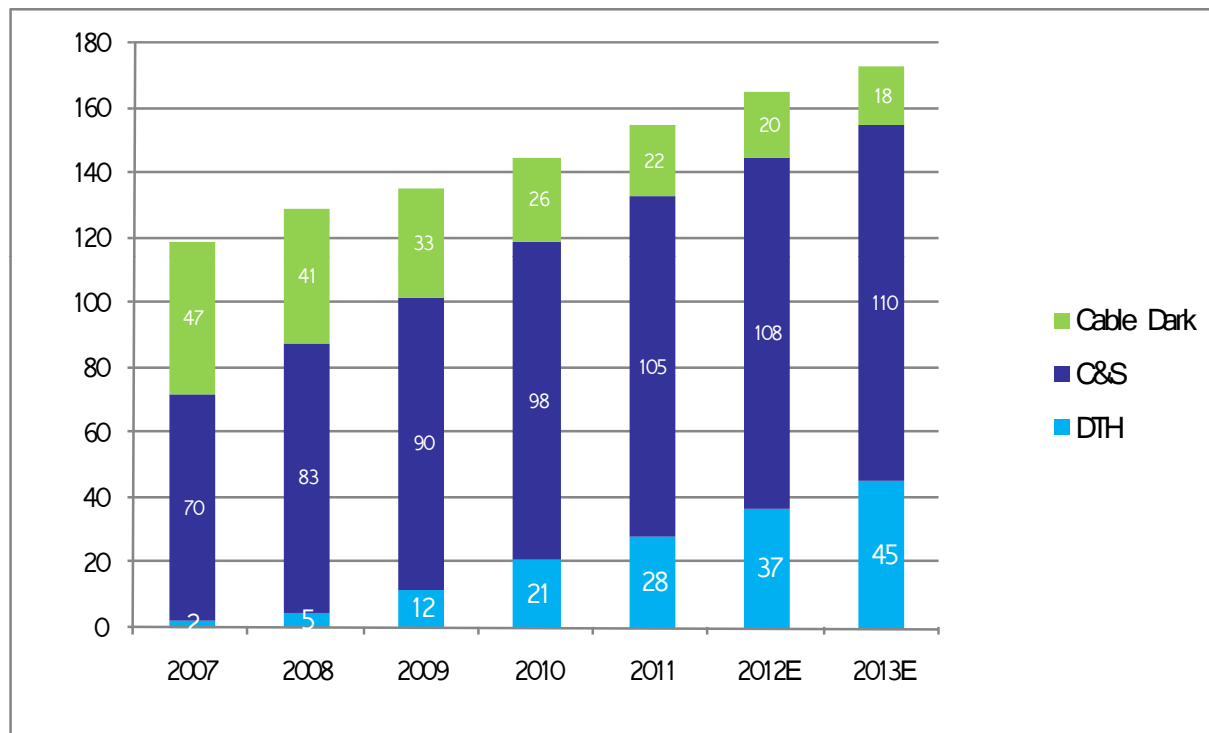
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Home

- ❑ Key takeaways

Indian Cable & Satellite Market



Source : Industry Estimates

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Digital TV

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HD 5x 16:9 1080i HDMI DIGITAL TV

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DTH penetration at ~20% of TV homes; gaining momentum

Reliance Digital TV (DTH)

- ❑ 4.6 Mn. subscriber as of Mar 31st, 2013
- ❑ Industry's 1st offerings of its kind - All 260 channels in High Definition like quality
- ❑ Pioneering HD experience in India
- ❑ Pioneering DVR – “Watch when you want
- ❑ Key service differentiators
 - More channel choice
 - Pure Digital viewing
 - 4 Cinema channels
 - Easy program guide
 - Interactive applications (iNews, iGames, iCricket, iCooking, etc)
 - Superior MPEG 4 technology

RELIANCE
Digital TV

**If it's on TV,
it's HD.**

Now get all 250 channels in
high-definition like quality.

250 HD
CHANNELS

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UP TO 10 TIMES SHARPER
PICTURE QUALITY

16:9
WIDE ASPECT
RATIO

1080p
OVER
2 MILLION PIXELS

HDMI
HIGH DEFINITION
MULTIMEDIA INTERFACE

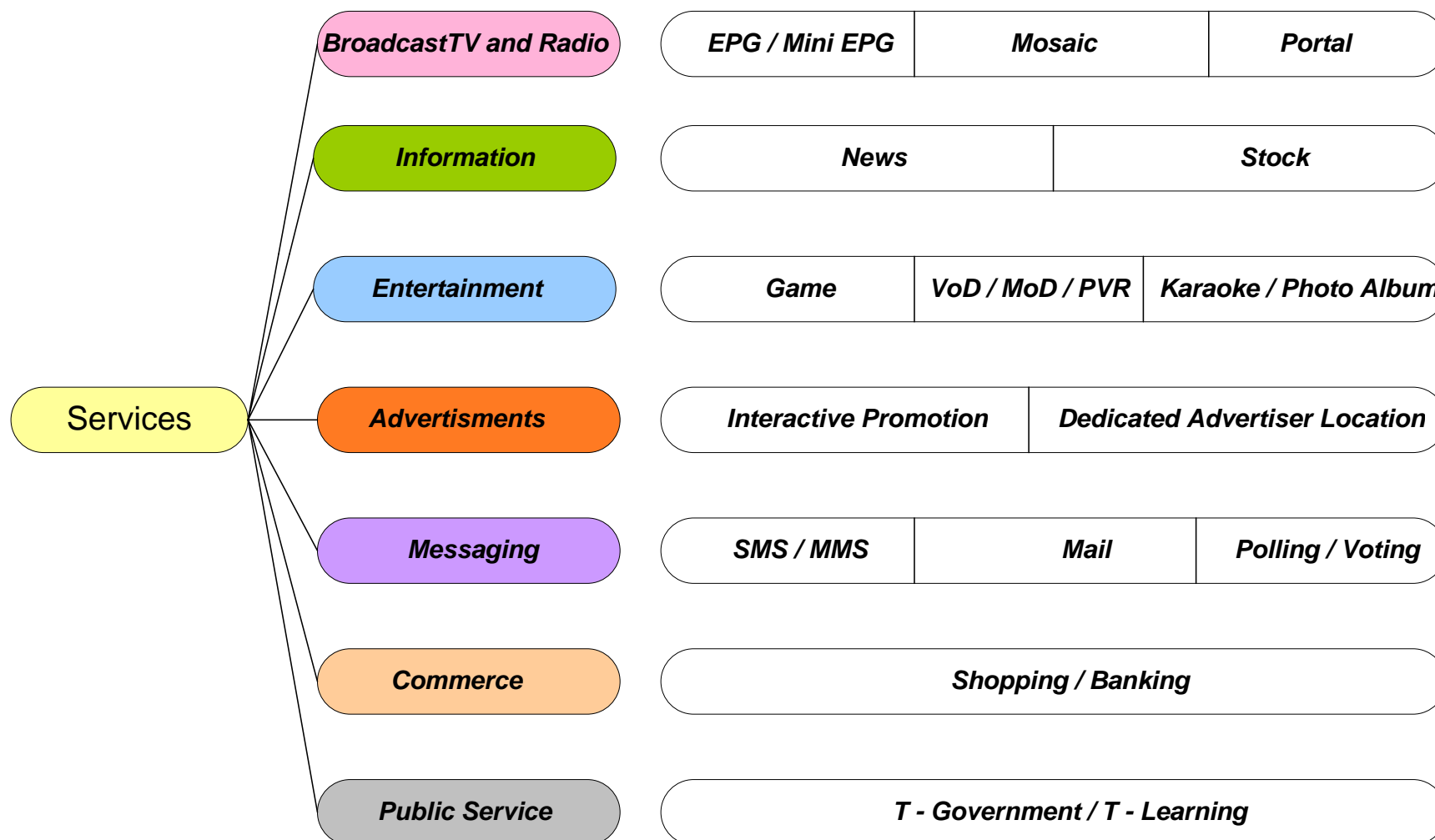
DIGITAL SOUND

Standee

Size: (W) 3' x (H) 6'

Digital viewing experience will create revolution in TV entertainment platforms

Capable of complete suite of services



The 4 Pillars of Growth

Content

- ❑ 260+ channels
- ❑ 4 exclusive movie channels in English, Hindi and other regional languages
- ❑ Interactive features – Games, Shopping, Kids, Stocks, Astrology, Cooking
- ❑ High-definition channels

Technology

- ❑ MPEG 4
- ❑ Digital Picture
- ❑ Digital Sound



Reach and service

- ❑ 8,350 towns
- ❑ 38,000 Retail outlets
- ❑ 24x7, 11 language customer service

Experience

- ❑ High-definition DVR box
- ❑ Next generation easy-to-use guide
- ❑ Most advanced mini guide

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Key takeaways

Drivers for future growth and shareholder value

Drivers

- ❑ Peak investment phase over: RCOM continues to be free cash flow positive. This trend to continue in succeeding years
- ❑ Financials at inflection point as GSM and 3G momentum scales up
- ❑ Besides wireless, massive opportunity exists in expansion of Enterprise / IDC and newer segments including DTH
- ❑ Potential for unlocking shareholder value at subsidiary level (Infratel, Global Enterprise, DTH)

Impact

Increase revenue generating ability

Operational leverage improves margin & profitability

Potential of unlocking shareholders value

Stable business performance with significant free cash flow generation to place RCOM in a much stronger financial position

RELIANCE

Thank you

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